

Assigned File Number SI 47 / 0063  
DOGM Lead: April Abate

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291 Fax: (801) 359-3940

COMPLETE

APR 26 2016

DIV. OIL GAS & MINING

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program (R647). The rules and Act are available online at <http://www.rules.utah.gov/publicat/code/r647/r647.htm> and [http://le.utah.gov/~code/TITLE40/40\\_08.htm](http://le.utah.gov/~code/TITLE40/40_08.htm).

"Small Mining Operations" are operations which have a disturbed area of ten or fewer surface acres at any time in unincorporated areas, or five acres or fewer in incorporated areas.

\*\*\*\*\*

I. **GENERAL INFORMATION** (Rule R647-3-104)

1. **Name of Mine:** ~~AMERICAN GILSONITE COMPANY~~ NEAL STATE

2.A. **Name of Entity Applying for a Permit:** AMERICAN GILSONITE COMPANY

Contact (Authorized Officer): NICHOLAS LOTT

Mailing Address: 29550 SOUTH BONANZA HWY

City, State, Zip: BONANZA, UT 84008

Phone: 435-789-1921

Fax: 435-781-4563

E-mail Address: nlott@amgc.com

Entity is a: ☒ Corporation ☐ LLC ☐ Sole Proprietorship (dba) ☐ Individual  
☐ Partnership (☐ General or ☐ limited) ☐ Other (specify type) \_\_\_\_\_

**Business Entity (not individuals) must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC)** If not currently registered, contact [www.commerce.utah.gov](http://www.commerce.utah.gov) to renew or apply.

2.B. Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No

Business Entity #: 73-131788

Local Business License #: 2014443 (if required)

Issued by: County: UINTAH COUNTY

or City: \_\_\_\_\_

Registered Utah Agent (as identified with the Utah DOC) (if individual leave blank):

Name: DOUGLAS MAUGHAN

Title: CHIEF FINANCIAL OFFICER

Address: 29950 SOUTH BONANZA HWY

City, State, Zip: BONANZA, UT 84008

Phone: 435-781-4534

Fax: 435-781-4563

E-mail Address: dmaughan@amgc.com



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- 2.C. Entity's Representative(s) (if different from #2A) authorized and designated to receive notices of violation, cessation orders, and all other notices to be given to the permittee or operator by the Division.

Name: NICHOLAS LOTT Title: GENERAL MANAGER  
Address: 29950 SOUTH BONANZA HWY  
City, State, Zip: BONANZA, UT 84008  
Phone: 435-781-4552 Fax: 435-781-4563  
Emergency, Weekend, or Holiday Phone: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Emergency, Weekend, or Holiday Phone: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

3a. If Business is a Sole Proprietor (dba) or Individual:

Name of Owner: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

3b. If Business is a Corporation:

Name of Officers: DOUGLAS MAUGHAN Title: CHIEF FINANCIAL OFFICER  
Name: TED STEVENS Title: CHIEF EXECUTIVE OFFICER  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Headquarters Address: 29950 SOUTH BONANZA HWY  
City, State, Zip: BONANZA, UT 84008  
Phone: 435-789-1921 Fax: 435-781-4563  
E-mail Address: nlott@amgc.com

3c. If Business is a Limited Liability Company: ☐ Member Managed ☐ Manager Managed

Name of 1<sup>st</sup> Member/Manager: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Name of 2<sup>nd</sup> Member/Manager: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

3d. If Business is a Partnership:

Names of First Partner: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Names of Second Partner: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_



5. **Ownership of Land Surface:**Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐State Trust Land/School Sections ☒ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name SITLA Address T11S R24E SEC 32 SL  
STATE TRUST LAND/SCHOOL SEC.Name \_\_\_\_\_ Address 675 E 500 S Suite 500Name \_\_\_\_\_ Address SLC, UT 84102

Name \_\_\_\_\_ Address \_\_\_\_\_

6. **Ownership of Minerals:**Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐State Trust Land/School Sections ☒ State Sovereign Lands ☐

Other (please describe): \_\_\_\_\_

Name SITLA Address T11S R24E SEC 32 SLName STATE TRUST LAND Address 675 E 500 S Suite 500Name \_\_\_\_\_ Address SLC, UT 84102

Name \_\_\_\_\_ Address \_\_\_\_\_

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): \_\_\_\_\_

N/A

BLM Claim Numbers: \_\_\_\_\_

N/AUtah State Lease Number(s): ML 49730 OBAName of Lessee(s): ZIEGLER CHEMICAL & MINERAL CORP.7. **Have the above surface and mineral owners been notified in writing?**Yes ☒ No ☐

If no, why not? \_\_\_\_\_

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes ☒ No ☐

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II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): Uintah

NW 1/4, of NW 1/4, of NW 1/4, Section: 32 Township: 11S Range: 24E  
SE 1/4, of NW 1/4, of SE 1/4, Section: 32 Township: 11S Range: 24E  
N 1/2, of NE 1/4, of SW 1/4, Section: 32 Township: 11S Range: 24E

UTM East: \_\_\_\_\_ (if known) UTM North: \_\_\_\_\_ (If known)

Name of Quad Map for Location: Archy Bench Quadrangle and Rainbow Quadrangle

2. **Is the project within an incorporated area?** ( ☐ ) Yes ( ☒ ) No

If yes, what is the town or city? \_\_\_\_\_

3. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:

- i. The area to be disturbed;
- ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
- iii. Any adjacent previous disturbance for which the operator is not responsible.

(Contact the Division for a list of consultants and land surveyors for mapping assistance.)

4. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface ( ☐ ) Underground ( ☒ )

2. **Mineral(s) to be mined:** Gilsonite

3. **Amount of material** to be extracted, moved, or proposed to be moved: 3,000 – 4,000 tons

4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process? Yes ( ☐ ) No ( ☒ ) If yes, please describe (add extra pages if needed): \_\_\_\_\_

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5. Provide a brief **description of the proposed mining operation**, and onsite processing facilities (add extra pages if necessary). See attached proposed mine plan.  
Drill Neal 2A – 9 dry holes measuring 2.75" in diameter which will be plugged.  
Drill Neal 7 - 9 dry holes measuring 2.75" in diameter which will be plugged.  
Trenching on the Neal 2A will be up to 500' along the strike of the vein & 10' deep. Trenching on the Neal 7 will be up to 300' along the strike of the vein & 10' deep.
6. (    ) **New Road(s)**: Length                      (ft), Width                      (ft)
7. (   x   ) **Improved Road(s)**: Describe improvements that need to be made to existing roads to access the site, including the Length 340 (ft) and Width 12 (ft) **of new disturbances.**  
Due to the grade of the terrain construction, this road will require very little cut and fill
8. Total project surface **acreage to be disturbed**: Neal 7 = 1.5 Neal 2A= 1, Neal 5=.89 (acres)  
PLEASE SPECIFY **EXACT** ACREAGE (this will be used to determine surety bond amount – see #VI).
9. Proposed **startup date** (month, year): October 2011
10. Proposed **completion**, if known (month, year): December 2013

**IV. OPERATION AND RECLAMATION PRACTICES** (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at:

[https://fs.ogm.utah.gov/pub/MINES/Coal\\_Related/RecMan/Reclamation\\_Manual.pdf](https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf).

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*

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**V. VARIANCE REQUEST** (Rule R647-3-110)**Any variance request must be approved in writing by the Division**

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes ☐ **No** ☒

**1<sup>st</sup> Variance Requested**

Item #

N/A

Applicable Rule # (I.e. R647-3-109.10 (if you did not want trenches &amp; pits reclaimed)

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**2<sup>nd</sup> Variance Requested**

Item #

N/A

Applicable Rule #

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

**3<sup>rd</sup> Variance Requested**

Item #

N/A

Applicable Rule #

Justification: \_\_\_\_\_

Alternate methods or measure to be utilized: \_\_\_\_\_

Attach additional page if more variances are requested.

**VI. SURETY** (Utah Code Ann. §40-8-7(1)(c))

**A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.** All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)(c)).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

I have provided or will provide surety in the form of:

- ☐ Certificate of Deposit   
 ☐ Letter of Credit   
 ☒ **SAFEGUARD INSURANCE #5** Surety Bond   
 ☐ Cash (certified funds)

☐ Other \_\_\_\_\_ (please identify) \_\_\_\_\_ undecided

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VII. SIGNATURE REQUIREMENT

**CERTIFICATION**

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Signature: Douglas R. Maughan Date: 11/3/15  
Name (typed or printed): Douglas Maughan  
Title/Position (if applicable): Chief Financial Officer



# Ziegler Chemical & Mineral Corp.

-109 15.813, 39 49.537

New Lease Area

Proposed Neal 7 Exploration and Mining area  
-109 15.767, 39 49.519  
Disturbance 1 ac.

Proposed Road  
Disturbance=12'  
Length=340'

PROPOSED DRILL LOCATION *Neal 2A*  
109° 15.47 W, 39° 49.056 N  
APPROX. DISTURBANCE 0.25 ACRE

T11S R24E SEC. 32

NEAL #4 Road  
Existing

NEAL #4  
-109 14.991, 39 49.158  
Disturbance 0.94 ac.  
Partially Re-graded

PROPOSED NEAL 2A MINE LOCATION  
109° 15.418 W, 39° 49.036 N  
APPROX DISTURBANCE 1 ACRE  
N1/4 NE1/4 SW1/4  
T11S R24E SEC. 32

Disturbed Road  
0.939 AC.

NEAL #5  
109 15.043 W, 39 48.871 N  
Disturbance 0.89 ac.

NEAL #6  
Drill Location  
109°14'53.9" W, 39°48'48.3"N  
0.25 ac. disturbance  
Not Feasible to Mine

PROPOSED DRILL LOCATION *Neal 2A*  
109° 15.389 W, 39° 49.024 N  
APPROX DISTURBANCE 0.25 ACRE

Proposed New Section of Road  
Disturbance = 12' *Neal 2A*  
Length = 290'

NEAL #5 Road  
Width 12'  
Length 1700'

Reclaimed  
Two Track Road NEAL #6  
Minimal Disturbance

## Legend

### Roads

#### Road Category

- Class 1-B Gravel
- Class D

#### Land Ownership Status

##### Owners

- Bureau of Land Management
- Private
- State of Utah (SITLA)



NOV 31 2011

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1 inch = 833 feet

October 27 2011



NEAL #5  
109 15.043 W, 39 48.871 N

NEAL #6  
ZIEGLER CHEMICAL & MINERAL CORP.  
109°14'53.9"W, 39°48'48.3"N  
SE1/4, NW1/4, SE1/4, SE1/4  
T11S R24E SEC. 32

Site Area 1AC.

PROPOSED ROAD  
DISTURBANCE = 15'  
LENGTH = 1175'

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JUN 9 / 2011 JUN 9 / 2011  
DIV. OIL GAS & MIN DIV. OIL GAS & MINING

**Legend**

**Roads**

**Road Category**

- Class 1-B Paved
- Class 1-B Gravel
- Class 1-B Native
- Class C City
- Class D
- Private
- US Forest Service
- Utah Tribe
- Rail Road
- Federal or State
- Other Road

**Land Ownership Status**

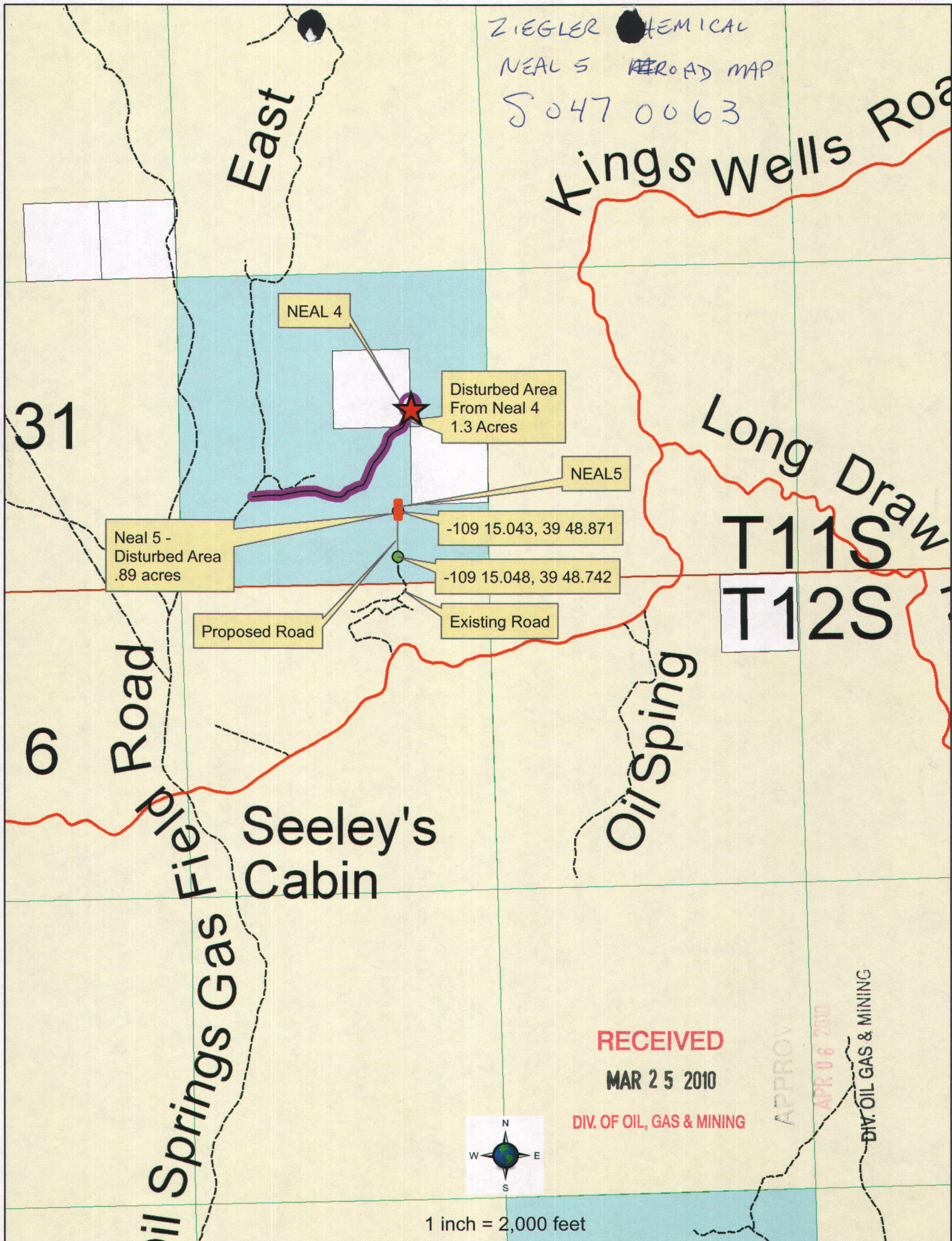
**Owners**

- Bureau of Land Management
- Admire National Forest
- Bureau of Reclamation
- Director National Monument
- Native American
- Native American Deeded
- Quincy Wildlife Refuge
- Private
- State of Utah (SITLA)
- Utah Department of Wildlife
- State Protective Withdraw
- WATER

**North Arrow**



ZIEGLER CHEMICAL  
NEAL 5 ROAD MAP  
5047 0063



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MAR 25 2010

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APR 06 2010

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S 047 0063

ZIEGLER CHEMICAL

NEAL 4+5

LOCATION

Kings Wells Road

East

NEAL 4

Disturbed Area  
From Neal 4  
1.3 Acres

NEAL5

-109 15.043, 39 48.871

-109 15.048, 39 48.742

Neal 5 -  
Disturbed Area  
.89 acres

Proposed Road

Existing Road

Long Draw

T11S

T12S

31

6

Oil Springs Gas Field Road

Seeley's  
Cabin

Oil Spring

RECEIVED

MAR 25 2010

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1 inch = 2,000 feet



200 740 2  
JASIMAH 9 9340315

2+H JAHM

WETADU



# ZIEGLER CHEMICAL

## S 0470063

### NEAL 4+5

NEAL 4

Disturbed Area  
From Neal 4  
1.3 Acres

NEAL5

Neal 5 -  
Disturbed Area  
.89 acres

-109 15.043, 39 48.871

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**APR 06 2010**

**DIV OIL GAS & MINING**

-109 15.048, 39 48.742

Proposed Road

Existing Road

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**MAR 25 2010**

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1 inch = 600 feet



THE OTHER SIDE

2000000

2000000

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MAR 20 2010

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MAR 20 2010



# ZIEGLER CHEMICAL

EXISTING ROAD

-109 15.116, 39 49.018

-109 15.1, 39 48.972

PROPOSED ROAD  
APPROX. 1700 FT  
0.63 ACRES DISTURBANCE

-109 15.099, 39 48.943

T11S R24E Sec. 32

-109 15.109, 39 48.915

PROPOSED MINE  
NEAL # 5  
DISTURBANCE = 0.89 ACRES

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**JUN 17 2010**

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**RECEIVED**

**JUN 14 2010**

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-109 15.11, 39 48.875

-109 15.054, 39 48.829

-109 15.084, 39 48.816



1 inch = 200 feet



# Neal 4 T11S R24E SEC 32

AMERICAN GILSONITE COMPANY

15,250 East 43,500 South  
Vernal, Ut 84078

Private

-109 14.991, 39 49.158

100'

.275ac

State

site

120'

New Disturbed Site

-109 14.885, 39 49.11

510 ft

-109 14.991, 39 49.11

-109 15.063, 39 49.083

Private

AMERICAN GILSONITE COMPANY

New Disturbed Road  
16ft wide road

-109 15.127, 39 48.998

State

-109 15.169, 39 48.946

Existing Disturbed

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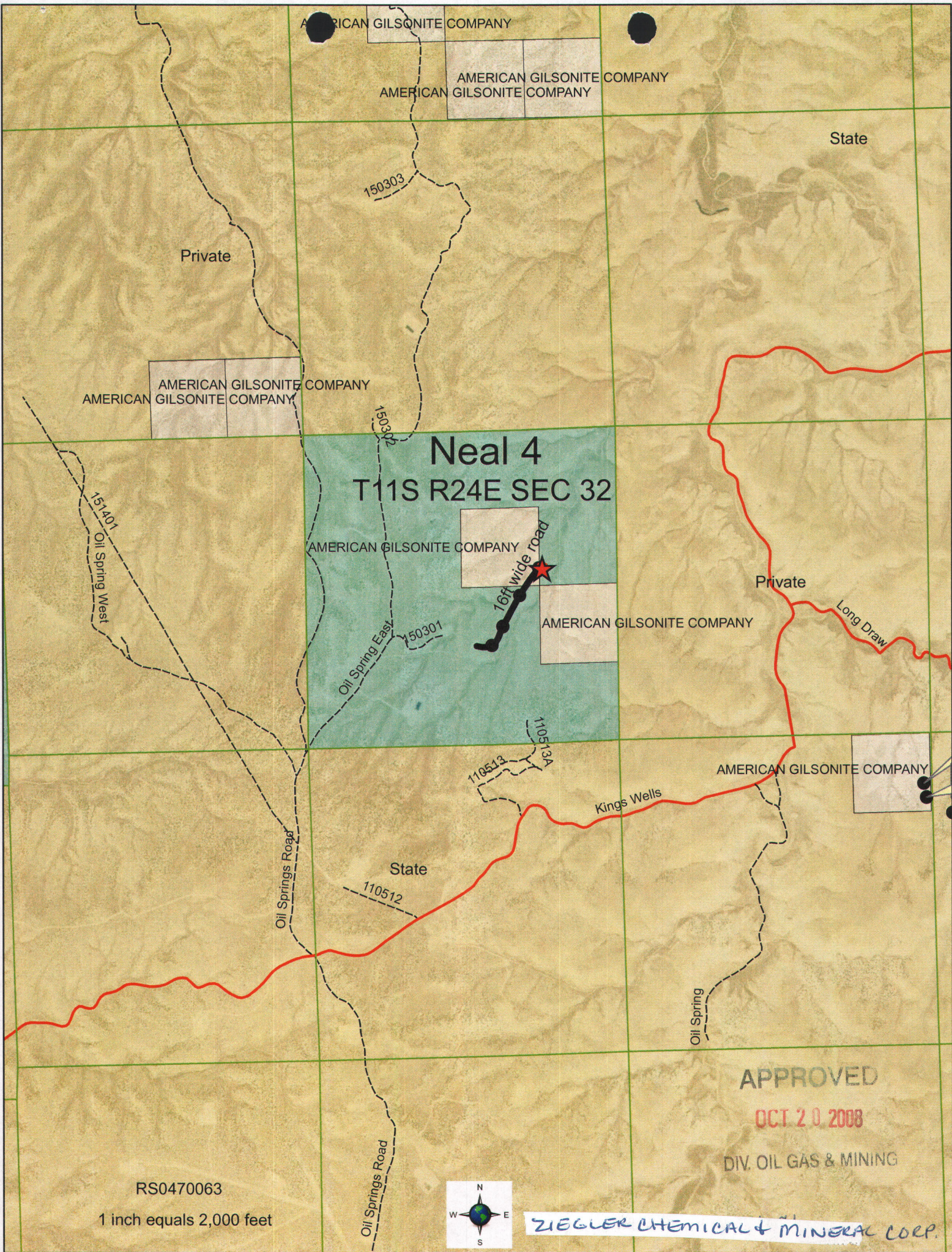
RS0470063

1 inch equals 200 feet



ZIEGLER CHEMICAL + MINERAL CORP





AMERICAN GILSONITE COMPANY

AMERICAN GILSONITE COMPANY  
AMERICAN GILSONITE COMPANY

State

Private

AMERICAN GILSONITE COMPANY  
AMERICAN GILSONITE COMPANY

Neal 4  
T11S R24E SEC 32

AMERICAN GILSONITE COMPANY

AMERICAN GILSONITE COMPANY

Private

Long Draw

AMERICAN GILSONITE COMPANY

Kings Wells

State

Oil Spring

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RS0470063

1 inch equals 2,000 feet



ZIEGLER CHEMICAL & MINERAL CORP.



# Ziegler Chemical & Mineral Corp.

-109 15.813, 39 49.537

New Lease Area

Proposed Exploration and Mining area  
-109 15.767, 39 49.519  
Disturbance 1 ac.

Proposed Road  
Disturbance=12'  
Length=340'

## Legend

### Roads

#### Road Category

- Class 1-B Gravel
- Class D

#### Land Ownership Status

##### Owners

- Bureau of Land Management
- Private
- State of Utah (SITLA)



DRILL LOCATION  
W, 39° 49.056 N  
DISTURBANCE 0.

T11S R24E SEC. 32

1 inch = 400 feet

September 21, 2011

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10/1/2011

DIV/OIL GAS & MINING





# ZIEGLER CHEMICAL & MINERAL CORP.

STAR ROUTE, LITTLE BONANZA, UTAH 84078

TEL. 1-435-789-3595 • [www.zieglerchemical.com](http://www.zieglerchemical.com)

## Neal 7 Mine Plan

September 26, 2011

Ziegler Chemical & Mineral Corp. Propose to remove Gilsonite from the Neal 7 Mine located in Section 32, T11S R24E.

In order to supply the quality and quantity of Gilsonite requested by our customers, ZCMC would like to re-commence mining operations immediately upon approval of this mine plan.

Neal 7 will be approximately 3/4 of a mile northwest from the present mine opening of Neal 5. An ore bin and airlift system will be installed at the mine shaft to remove ore from the mine. ZCMC will place a derrick and hoist for the raising and lowering of men and materials.

The normal workforce would include two underground miners, one hoist man at the surface and on occasion one timber man. If demand increases more crews will be put in place to meet our customer's needs. The ore mined will reach the surface in an ore bin, from which it will be loaded into covered trucks and transported to ZCMC facilities at Little Bonanza.

The new road will be approximately 340 feet long by 12 feet wide. Due to the grade of the terrain construction, this road will require very little cut & fill. In addition, an area 150 feet by 300 feet will be leveled by cut and fill at the location of the Neal 7 hoist house and compressor shed. The total new disturbed area will be about 1.5 acres including the road.

A portal will be built at the entrance of the Neal 7 mine to facilitate entry and exit of men and equipment. At the Neal 7 mine, a concrete collar approximately 18x 4 feet will be constructed at the surface to stabilize the shaft opening. All openings in the ground (shafts and escape ways) would be fenced with chain link.

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STAR ROUTE, LITTLE BONANZA, UTAH 84078

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All enclosures would have gates with locks to provide a first line of security. Sufficient area inside the fenced area would be maintained for ingress and egress. The gates would be locked when the mine is not in operation. Signs will be placed in order to warn the public of mining operations.

A number of facilities other than the opening for the mine shaft and escape ways would be located on the surface, including:

- A hoist house and head frame to raise and lower the conveyance in the shaft at Neal 7.
- A 25-30 ton ore bin for the storage and loading of Gilsonite will be located on each mine site.
- A dust collector will be placed on the top of each storage bin to remove dust from the airlift system.
- Airlift fans will be installed on pad next to each head frame. These fans are designed to lift ore to the surface through a 12-inch pipe in the utility shaft.
- A compressor shed, for the diesel-powered compressor.
- Electricity to supply power to the hoists, compressor and fans would be provided by a diesel generator.

Top soil from disturbed areas would be stored in piles in the immediate vicinity of the area from which it will be removed. The topsoil pile will be seeded to stabilize it for future reclamation use.

A small waste rock pile. It is anticipated that very little waste rock would be produced. Only the Gilsonite would be extracted from the vein.

No water would be used in the mining operation. Any underground water encountered will be handled in accordance with federal water regulations and requirements.

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STAR ROUTE, LITTLE BONANZA, UTAH 84078

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Three Ansul 20-pound fire extinguishers would be on hand: two in the hoist house, and one by the compressor. All rules and regulations regarding fire prevention would be strictly adhered to. If a fire grows so large that it cannot be controlled with fire Extinguishers, Deseret Generation and Transmissions fire crew will be called to assist in fighting the fire. Uintah County/Vernal City will also be called as back up. If an underground fire occurs, the mine would be sealed. In order to prevent an underground fire, the following precautions will be taken:

- All combustible materials including vegetation will be kept away from mine openings;
- Fire retardant paint will be put on all timber used in mine openings;
- No electrical equipment will be used underground
- Smoking and smoking materials will be prohibited underground.
- There will not be any explosives stored at the mine site.

Miners will be instructed to maintain a clean camp and to report any unusual activities that could be detrimental and/or unlawful. In order to minimize impacts to the environment from personnel involved in mining activities, employees would be subject to the following regulations:

- No open fires of any kind except in approved buildings in approved stoves or furnaces
- No illegal harassing or shooting of wildlife.
- No trash left in any unauthorized place.
- No unnecessary off-road driving.
- No collecting of plants.

For safety and mine efficiency, mobile telephone communications will be maintained between the mine and the Ziegler office in Little Bonanza.

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# ZIEGLER CHEMICAL & MINERAL CORP.

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All garbage and solid wastes (other than wasted rock) will be placed in covered 55 gallon cans then taken to a dumpster, located on ZCMC property. A toilet will be located at the mine site for use by ZCMC personnel. A 10 foot deep pit will be dug underneath the toilet facility to accommodate sewage, which will be allowed to decompose in -situ.

When the mineshafts and escape ways are ready for closure, final designs would be submitted to the Division before seal construction. The collar and other structures will be removed. The mine openings will be sealed with 18 inch thick concrete reinforced with rebar placed on 12 inch centers. If the seal is to be in an exposed rock outcrop, the top of the seal will be constructed to conform to the contour of the outcrop and will be no higher than the adjacent rock. The bottom of the seal would be placed on bedrock. If the seal is location where soil would cover the seal, the bottom of the seal will be placed on bedrock and covered with a minimum of 4 feet of topsoil.

Upon completion of mine operations, all machinery, equipment and debris would be removed from the site. The site would be graded to conform as closely as possible to pre-mining conditions. The reclaimed area will be scarified, and re-vegetated with a seed mixture approved by D.O.G.M.

Ritchie Anderson  
Mine Superintendent

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## Neal 2A Mine Plan

Ziegler Chemical & Mineral Corp. Propose to remove Gilsonite from the Neal 2A Mine located in Section 32, T11S R24E.

In order to supply the quality and quantity of Gilsonite requested by our customers, ZCMC would like to re-commence mining operations immediately upon approval of this mine plan.

Neal 2A will be approximately 1900 feet west from the present mine opening of Neal 5. An ore bin and airlift system will be installed at the mine shaft to remove ore from the mine. ZCMC will place a derrick and hoist for the raising and lowering of men and materials.

The normal workforce would include two underground miners, one hoist man at the surface and on occasion one timber man. If demand increases more crews will be put in place to meet our customer's needs. The ore mined will reach the surface in an ore bin, from which it will be loaded into covered trucks and transported to ZCMC facilities at Little Bonanza.

The new road will be approximately 290 feet long by 12 feet wide. Due to the grade of the terrain construction, this road will require very little cut & fill. In addition, an area 150 feet by 300 feet will be leveled by cut and fill at the location of the Neal 2A hoist house and compressor shed. The total new disturbed area will be about 1.5 acres including the road.

A portal will be built at the entrance of the Neal 2A mine to facilitate entry and exit of men and equipment. At the Neal 2A mine, a concrete collar approximately 18x 4 feet will be constructed at the surface to stabilize the shaft opening. All openings in the ground (shafts and escape ways) would be fenced with chain link.

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All enclosures would have gates with locks to provide a first line of security. Sufficient area inside the fenced area would be maintained for ingress and egress. The gates would be locked when the mine is not in operation. Signs will be placed in order to warn the public of mining operations.

A number of facilities other than the opening for the mine shaft and escape ways would be located on the surface, including:

- A hoist house and head frame to raise and lower the conveyance in the shaft at Neal 2A.
- A 25-30 ton ore bin for the storage and loading of Gilsonite will be located on each mine site.
- A dust collector will be placed on the top of each storage bin to remove dust from the airlift system.
- Airlift fans will be installed on pad next to each head frame. These fans are designed to lift ore to the surface through a 12-inch pipe in the utility shaft.
- A compressor shed, for the diesel-powered compressor.
- Electricity to supply power to the hoists, compressor and fans would be provided by a diesel generator.

Top soil from disturbed areas would be stored in piles in the immediate vicinity of the area from which it will be removed. The topsoil pile will be seeded to stabilize it for future reclamation use.

A small waste rock pile. It is anticipated that very little waste rock would be produced. Only the Gilsonite would be extracted from the vein.

No water would be used in the mining operation. Any underground water encountered will be handled in accordance with federal water regulations and requirements.

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Three Ansul 20-pound fire extinguishers would be on hand: two in the hoist house, and one by the compressor. All rules and regulations regarding fire prevention would be strictly adhered to. If a fire grows so large that it cannot be controlled with fire Extinguishers, Deseret Generation and Transmissions fire crew will be called to assist in fighting the fire. Uintah County/Vernal City will also be called as back up. If an underground fire occurs, the mine would be sealed. In order to prevent an underground fire, the following precautions will be taken:

- All combustible materials including vegetation will be kept away from mine openings;
- Fire retardant paint will be put on all timber used in mine openings;
- No electrical equipment will be used underground
- Smoking and smoking materials will be prohibited underground.
- There will not be any explosives stored at the mine site.

Miners will be instructed to maintain a clean camp and to report any unusual activities that could be detrimental and/or unlawful. In order to minimize impacts to the environment from personnel involved in mining activities, employees would be subject to the following regulations:

- No open fires of any kind except in approved buildings in approved stoves or furnaces
- No illegal harassing or shooting of wildlife.
- No trash left in any unauthorized place.
- No unnecessary off-road driving.
- No collecting of plants.

For safety and mine efficiency, mobile telephone communications will be maintained between the mine and the Ziegler office in Little Bonanza.

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All garbage and solid wastes (other than wasted rock) will be placed in covered 55 gallon cans then taken to a dumpster, located on ZCMC property. A toilet will be located at the mine site for use by ZCMC personnel. A 10 foot deep pit will be dug underneath the toilet facility to accommodate sewage, which will be allowed to decompose in -situ.

When the mineshafts and escape ways are ready for closure, final designs would be submitted to the Division before seal construction. The collar and other structures will be removed. The mine openings will be sealed with 18 inch thick concrete reinforced with rebar placed on 12 inch centers. If the seal is to be in an exposed rock outcrop, the top of the seal will be constructed to conform to the contour of the outcrop and will be no higher than the adjacent rock. The bottom of the seal would be placed on bedrock. If the seal is location where soil would cover the seal, the bottom of the seal will be placed on bedrock and covered with a minimum of 4 feet of topsoil.

Upon completion of mine operations, all machinery, equipment and debris would be removed from the site. The site would be graded to conform as closely as possible to pre-mining conditions. The reclaimed area will be scarified, and re-vegetated with a seed mixture approved by D.O.G.M.

Ritchie Anderson  
Mine Superintendent

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Ziegler Chemical & Mineral Corp. Propose to remove Gilsonite from the Neal # 5 Mine located in

In order to supply the quality and quantity of Gilsonite requested by our customers, ZCMC would like to re-commence mining operations immediately upon approval of this mine plan.

Approximately 893 feet from the present mine opening to the southeast of the Neal #3 mine location an escape route 138 feet from the main shaft will be built along the strike of the vein. An ore bin and airlift system will be installed at the mine shaft to remove ore from the mine. ZCMC will place a derrick and hoist for the raising and lowering of men and materials.

The normal workforce would include two underground miners, one hoist man at the surface and on occasion one timber man. If demand increases more crews will be put in place to meet our customer's needs. The ore mined will reach the surface in an ore bin, from which it will be loaded into covered trucks and transported to ZCMC facilities at Little Bonanza.

The new road will be approximately 700 feet long by 16 feet wide. Due to the grade of the terrain construction of this road will require cut and fill. In addition, an area 120 feet by 100 feet will be leveled by cut and fill at the location of the Neal #5 hoist house and compressor shed. The total new disturbed area will be about .89 acres.

A portal will be built at the entrance of the Neal #5 mine to facilitate entry and exit of men and equipment. At the Neal #5 mine, a concrete collar approximately 18x 4 feet will be constructed at the surface to stabilize the shaft opening. All openings in the ground (shafts and escape ways) would be fenced with chain link.

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All enclosures would have gates with locks to provide a first line of security. Sufficient area inside the fenced area would be maintained for ingress and egress. The gates would be locked when the mine is not in operation. Signs will be placed in order to warn the public of mining operations.

A number of facilities other than the opening for the mine shaft and escape ways would be located on the surface, including:

- A hoist house and head frame to raise and lower the conveyance in the shaft at Neal #5.
- A 25-30 ton ore bin for the storage and loading of Gilsonite will be located on each mine site.
- A dust collector will be placed on the top of each storage bin to remove dust from the airlift system.
- Airlift fans will be installed on pad next to each head frame. These fans are designed to lift ore to the surface through a 12-inch pipe in the utility shaft.
- A compressor shed, for the diesel-powered compressor.
- Electricity to supply power to the hoists, compressor and fans would be provided by a diesel generator.

Top soil from disturbed areas would be stored in piles in the immediate vicinity of the area from which it will be removed. The topsoil pile will be seeded to stabilize it for future reclamation use.

A small waste rock pile. It is anticipated that very little waste rock would be produced. Only the Gilsonite would be extracted from the vein.

No water would be used in the mining operation. Any underground water encountered will be handled in accordance with federal water regulations and requirements.

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Three Ansul 20-pound fire extinguishers would be on hand: two in the hoist house, and one by the compressor. All rules and regulations regarding fire prevention would be strictly adhered to. If a fire grows so large that it cannot be controlled with fire Extinguishers, Deseret Generation and Transmissions fire crew will be called to assist in fighting the fire. Uintah County/Vernal City will also be called as back up. If an underground fire occurs, the mine would be sealed. In order to prevent an underground fire, the following precautions will be taken:

- All combustible materials including vegetation will be kept away from mine openings;
- Fire retardant paint will be put on all timber used in mine openings;
- No electrical equipment will be used underground
- Smoking and smoking materials will be prohibited underground.
- There will not be any explosives stored at the mine site.

Miners will be instructed to maintain a clean camp and to report any unusual activities that could be detrimental and/or unlawful. In order to minimize impacts to the environment from personnel involved in mining activities, employees would be subject to the following regulations:

- No open fires of any kind except in approved buildings in approved stoves or furnaces
- No illegal harassing or shooting of wildlife.
- No trash left in any unauthorized place.
- No unnecessary off-road driving.
- No collecting of plants.

For safety and mine efficiency, mobile telephone communications will be maintained between the mine and the Ziegler office in Little Bonanza.

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All garbage and solid wastes (other than wasted rock) will be placed in covered 55 gallon cans then taken to a dumpster, located on ZCMC property. A toilet will be located at the mine site for use by ZCMC personnel. A 10 foot deep pit will be dug underneath the toilet facility to accommodate sewage, which will be allowed to decompose in -situ.

When the mineshafts and escape ways are ready for closure, final designs would be submitted to the Division before seal construction. The collar and other structures will be removed. The mine openings will be sealed with 18 inch thick concrete reinforced with rebar placed on 12 inch centers. If the seal is to be in an exposed rock outcrop, the top of the seal will be constructed to conform to the contour of the outcrop and will be no higher than the adjacent rock. The bottom of the seal would be placed on bedrock. If the seal is location where soil would cover the seal, the bottom of the seal will be placed on bedrock and covered with a minimum of 4 feet of topsoil.

Upon completion of mine operations, all machinery, equipment and debris would be removed from the site. The site would be graded to conform as closely as possible to pre-mining conditions. The reclaimed area will be scarified, and re-vegetated with a seed mixture approved by D.O.G.M.

Bob Davis  
Mine Superintendent



Ziegler Chemical & Mineral Corp proposes to remove Gilsonite from two (2) mines located in ML-49730 OBA. This lease is located in Section 32, T11S, R24E in Uintah County, Utah. The lease includes the following described lands:

Township 11 South, Range 24 East, SL Meridian, Utah Section 32:  
SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , NW  $\frac{1}{4}$  SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ ,  
S  $\frac{1}{2}$  SE  $\frac{1}{4}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , N  $\frac{1}{2}$  SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , N  $\frac{1}{2}$  SW  $\frac{1}{4}$  SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , SE  
 $\frac{1}{4}$  SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , NW  $\frac{1}{4}$  SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , NW  $\frac{1}{4}$  NE  $\frac{1}{4}$  SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , S  $\frac{1}{2}$  NW  
 $\frac{1}{4}$  NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , S  $\frac{1}{2}$  SE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , NE  $\frac{1}{4}$  NE  $\frac{1}{4}$  NW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , N  $\frac{1}{2}$  NW  $\frac{1}{4}$   
NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , NE  $\frac{1}{4}$  NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , NE  $\frac{1}{4}$  SE  $\frac{1}{4}$  NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , N  $\frac{1}{2}$  NW  $\frac{1}{4}$   
SE  $\frac{1}{4}$ , N  $\frac{1}{2}$  SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , SE  $\frac{1}{4}$  NW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , N NW  $\frac{1}{4}$  SE  $\frac{1}{4}$  SE  $\frac{1}{4}$ ,  
NE  $\frac{1}{4}$  SE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , N  $\frac{1}{2}$  NE  $\frac{1}{4}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , N  $\frac{1}{2}$  NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , N  $\frac{1}{2}$  SW  
 $\frac{1}{4}$  NE  $\frac{1}{4}$  NW  $\frac{1}{4}$ , S  $\frac{1}{2}$  NW  $\frac{1}{4}$  NW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , S  $\frac{1}{2}$  NW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , S  $\frac{1}{2}$  SW  $\frac{1}{4}$   
NE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , SW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , SE  $\frac{1}{4}$  SW  $\frac{1}{4}$ , NW  $\frac{1}{4}$  NW  $\frac{1}{4}$  SW  $\frac{1}{4}$  SE  $\frac{1}{4}$  S  $\frac{1}{2}$   
NW  $\frac{1}{4}$  SW  $\frac{1}{4}$  NE  $\frac{1}{4}$ , SW  $\frac{1}{4}$  NE  $\frac{1}{4}$  SW  $\frac{1}{4}$  SW  $\frac{1}{4}$ , S  $\frac{1}{2}$  SW  $\frac{1}{4}$  SE  $\frac{1}{4}$ , NW  $\frac{1}{4}$   
SW  $\frac{1}{4}$  SE  $\frac{1}{4}$  SE  $\frac{1}{4}$ , S  $\frac{1}{2}$  SW  $\frac{1}{4}$  SE  $\frac{1}{4}$  SE  $\frac{1}{4}$  SE  $\frac{1}{4}$

The Neal #3 mine is located in the N  $\frac{1}{2}$  SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  SE  $\frac{1}{4}$  of section 32, and the Neal #4 mine will be located in the SW  $\frac{1}{2}$  SE  $\frac{1}{4}$  NE  $\frac{1}{4}$  of section 32. The Neal #4 will be located approximately 1800 feet to the northeast of the Neal #3.

In order to supply the quality and quantity of Gilsonite requested by our customers, ZCMC would like to re-commence mining operations immediately upon approval of this mine plan.

Approximately 1800 feet from the present mine opening to the northeast the Neal #4 mine location will be built to provide for an escape route 300 feet from the main shaft along the strike of the vein. An ore bin and airlift system will be installed at the mine shaft to remove ore from the mine. ZCMC will place a derrick and hoist for the raising and lowering of men and materials.

The normal workforce would include two underground miners, one hoist man at the surface and on occasion one timber man. If demand increases more crews will be put in place to meet our customer's needs. The ore mined will reach the surface in an ore bin, from which it will be loaded into covered trucks and transported to ZCMC facilities at Little Bonanza.

The new road will be approximately 1800 feet long by 16 feet wide. Due to the grade of the terrain construction of this road will require cut and fill. In addition, an area 120 feet by 100 feet will be leveled by cut and fill at the location of the Neal #4 hoist house and compressor shed. The total new disturbed area will be about .93 acres.

A portal will be built at the entrance of the Neal #4 mine to facilitate entry and exit of men and equipment. At the Neal #4 mine, a concrete collar approximately 18 x 4 feet will be constructed at the surface to stabilize the shaft opening. All openings in the ground (shafts and escape ways) would be fenced with chain link fencing. All enclosures

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would have gates with locks to provide a first line of security. Sufficient area inside the fenced area would be maintained for ingress and egress. The gates would be locked when the mine is not in operation. Signs will be placed in order to warn the public of mining operations.

A number of facilities other than the opening for the mine shaft and escape ways would be located on the surface, including:

- A hoist house and head frame to raise and lower the conveyance in the shaft at Neal #4.
- A 25-30 ton ore bin for the storage and loading of Gilsonite will be located on each mine site.
- A dust collector will be placed on the top of each storage bin to remove dust from the airlift system.
- Airlift fans will be installed on pad next to each head frame. These fans are designed to lift ore to the surface through a 12-inch pipe in the utility shaft.
- A compressor shed, for the diesel-powered compressor.
- Electricity to supply power to the hoists, compressor and fans would be provided by a diesel generator.

Top soil from disturbed areas would be stored in piles in the immediate vicinity of the area from which it will be removed. The topsoil pile will be seeded to stabilize it for future reclamation use.

A small waste rock pile. It is anticipated that very little waste rock would be produced. Only the Gilsonite would be extracted from the vein.

No water would be used in the mining operation. Any underground water encountered will be handled in accordance with federal water regulations and requirements.

Three Ansul 20-pound fire extinguishers would be on hand: two in the hoist house, and one by the compressor. All rules and regulations regarding fire prevention would be strictly adhered to. If a fire grows so large that it cannot be controlled with fire Extinguishers, Deseret Generation and Transmissions fire crew will be called to assist in fighting the fire. Uintah County/Vernal City will also be called as back up. If an underground fire occurs, the mine would be sealed. In order to prevent and underground fire, the following precautions will be taken:

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Miners will be instructed to maintain a clean camp and to report any unusual activities that could be detrimental and/or unlawful. In order to minimize impacts to the environment from personnel involved in mining activities, employees would be subject to the following regulations:

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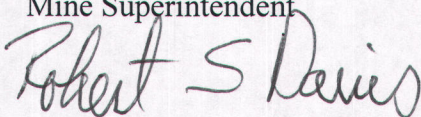
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Bob Davis  
Mine Superintendent



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